Chapter-6

Summary of Conclusions,
Findings of the Study,
Recommendations and Scope for Further Research

6.1 Introduction
6.2 Summary of conclusions
6.3 Findings of the Study
6.4 Recommendations
6.5 Directions for further Research
Chapter-6

Summary of conclusions, Findings, Recommendations and Direction for Future Research

6.1 Introduction: In the previous chapter, the hypotheses of this study have been tested by using suitable statistical tools like t-test, ANOVA and chi square test. The final results after testing the hypotheses have also been summarized in the form of a table showing whether a particular hypothesis is accepted or rejected. This chapter deals with the Summary of major findings of the study, recommendations of this study. This chapter also includes the areas which have been emanated or explored for further research.

6.2 Summary of conclusions

A balanced scorecard measures performance across multiple areas of an organization, all linked directly to the organization’s strategy and vision. Rather than focus solely on a single factor such as financial earnings, a balanced scorecard considers an organization’s performance in multiple key strategic and operating areas. The linkage of strategy to the organization’s operating activities is key to the balanced scorecard system.

The Balanced Scorecard tool is an attempt to deal with these types of issues. It was originally designed as a tool for measuring performance that developed into a new strategic management control system, which helped implement the company’s strategy. The aim of the Balanced Scorecard is basically to translate the strategy into action. It supplements traditional financial measures with criteria that measure performance from three additional perspectives - those of customers, internal business processes, and learning and growth. It is also used as a system for communication, information and learning. It therefore enables companies to track financial results while simultaneously monitoring progress in building the capabilities and acquiring the intangible assets they will need for future growth.
A balanced scorecard vision or philosophy is simply a clear statement that describes what BSC will look like, how it will operate, how it will be built, and how the organization will use it. When created early in the balanced scorecard development process, your BSC vision provides a valuable touchstone going forward providing focus and facilitating quick consensus when critical balanced scorecard decisions are required.

The overall objective of the thesis was to analyze the use of Balanced Scorecard in HR and performance measurement tool in Jordan including public and private sector universities. The Balanced Scorecard may be described as a strategy-driven measurement system that retains traditional financial measures, but adds also the perspectives of present and potential (future) value of a company, namely its customers, suppliers, employees, processes, technology, and innovation.

By its nature the four-fold division of the Balanced Scorecard into the perspectives of a) financial, b) internal business processes, c) learning and growth, and d) clients, has nothing especially new. Internal business processes have been targeted by several quality management systems. Learning and growth has been analysed by a few trends under knowledge management. Academic and Non-academic staff also have been subject to several kinds of statistical and non-statistical researches. The main objective of the Balanced Scorecard is to bring those different perspectives together into a uniform system that would enable to measure them in a balanced way that is derived from the strategic objectives of an organisation.

The first university in Jordan was established in 1962 and then many public and private universities were established in the kingdom totaling 26 in the year 2007; of them ten are public universities and sixteen are private universities, among them four universities are specialized in postgraduate studies. The government has issued a series of laws concerning higher education and Jordanian universities. Al-Balqa' Applied University (BAU) was founded in 1997, a distinctive state university in the field of Bachelor and Associate degree Applied Education, at the capacity of 21,246 student
distributed into 10,000 at the Bachelor degree program and 11,000 at the Associate degree program. Al-Ahliyya Amman University is a university located in Amman, Jordan. It is the leading private university in Jordan. Al Ahliya Amman University is the first privately funded and managed university to be established in Jordan. Since its founding year in 1990, this university has set a role model for launching many other privately owned universities in Jordan and in the Middle East.

All together 288 questionnaires were collected from teaching as well as nonteaching staff from two private and two government universities of Jordan. While analyzing the information collected from public and private sector universities of Jordan through questionnaire, Researcher came to the conclusion that in Government universities the students are not satisfied with the kind of facilities provided. But still student’s first preference is to get education from the government universities of big cities of Jordan. On the other hand, students in other small cities prefer to get admission in private universities but this preference is confined. As far as the implementation of the Balanced Scorecard system is concerned, the private universities are far ahead as compare to the Government universities.

The researcher goes through detailed steps in implementing the Balanced Scorecard and during that researcher advises on practical questions which may arise in implementing the Balanced Scorecard for the first time in government and private universities of Jordan.

The balanced scorecard is a tool which systematically expands the measurement areas traditionally involved in accounting. It thus aims to contribute to reducing the problems involved in using only financial measures for the purposes of control. It is not just intended as a measurement system, however; it is also a control system. It inserts non-financial measurements in a strategic control framework so that they are not merely loosely coupled local systems, but linked together in a causal chain which passes through the entire company. It may contribute to sharpening communication in the company in that it is not restricted to financial measures but also includes non-financial
ones, which provides a more comprehensive picture of the company. Therefore, it is a way of changing communication about strategy since this will no longer be restricted to financial measures. This aspect is both very interesting and relevant. The preceding analysis shows, however, that the balanced scorecard has problems with some of its key assumptions and relationships.

In researcher's opinion, the Balanced Scorecard methodology may be regarded as the most practical management tool since the SWOT analysis. Therefore, the universities who are willing to remain competitive during today's shift from conventional to information age education will have to start consider implementing the Balanced Scorecard. From the possible research resources from research projects, journals, magazines, theses, articles, Internet and major international business journals, it was possible to identify that throughout the world has the Balanced Scorecard received very warm welcome among numerous very prestigious universities of the world. The number is constantly growing every day.

The researcher found in the thesis show that the Balanced Scorecard may be considered as one of the best remedies in tackling with the questions concerning:

- Linking strategic vision and long-term objectives to short term tactics of the universities.

- Directing sophisticated and different critical paths of success in the light of strategic management.

- Efficient performance measurement of teaching and non teaching staff.

- Review of strategic vision in the light of day-to-day operations management.

The Balanced Scorecard is definitely a useful tool to renew university's mission and strategic objectives. Multilevel analysis of organisational strategy helps to identify possible shortcomings and flaws of existing objectives.
Second, the Balanced Scorecard has proven its usefulness also as a two-way communications tool that enables to pass information more easily to all the members of a university, as every member’s task in formulating the educational information is certainly much higher than in the case of centralised strategic management systems. At the same time, the Balanced Scorecard simplifies the analysis of monthly performance review and compares the results of the review with strategic objectives.

Balanced Scorecard turns the activities of an organisation much more efficient as its every member is more aware and committed to the strategy. In the end, it avoids performing many tasks that are not in line with objectives and members start to diminish less important assignments that do not contribute to goals. As one of negative impacts of the Balanced Scorecard it may be noted slowing down of some strategic planning processes, because discussions on so many levels of management undoubtedly takes some time. The second problem is increasing time constraints, because some increase in bureaucracy and increase in reporting.

However, to diminish those backlogs it is definitely recommended to use an information-technology based solution in implementing Balanced Scorecard.

6.3 Findings of the Study:

After a comprehensive study of public and private sector universities in Jordan with the help of information obtained through questionnaires, the followings are the findings of this research work:

- Most of the students and staff members are not satisfied with the working of the Government universities due to the less caring attitude of the government. On the other hand most of the students and staff members are satisfied with the facilities and infrastructure provided by the private universities of Jordan though the private universities are comparatively costly for the students.

- The internal processing of different procedural work is taking so much time to completion in Government universities. On the other hand private
universities of Jordan having better processing thus giving more satisfaction to theirs students and staff members.

- Employees are not satisfied regarding their promotion as well as their remuneration in Government universities.

- In government universities, there is little consideration given to vision/mission of the universities. Thus, the financial budgets of the department/university are not linked to the department/university’s qualitative performance.

- Private sector universities in Jordan are financially sound as compared to Government universities. There is lot of procedural delay in sanctioning the fund to the specific need in the government universities. Thus, the private universities are known for their efficiencies as compared to the Government universities of Jordan.

- The available facilities of the private sector universities in Jordan are better than that of Government universities like latest books, journals, magazines, communication system, adopting modern means of teaching, Electronic mail (e-mail), voice mail, the web, or other technology, human resources information system, training etc.

- There is no performance evaluation of the employees and teachers in government universities. On the other hand, in private sector universities, the management is so much concerned with the quality education by adopting the performance evaluation method to give incentives to hard working staff members.

- The Government universities in Jordan are providing better opportunities to develop or improve the skills than that of private sector universities by offering faculty development programs, orientation/refresher courses in academic staff colleges at reasonable cost and by providing the leave facilities. On the other hand such kinds of facilities are missing in private universities of Jordan.
There is no significant difference between the academician and non-academician of public and private universities of Jordan in terms of General Perspectives, Financial Perspectives, Internal Process Perspectives and Human Resource Perspectives of Balance Score Card (BSC).

There is no significant difference between the Male and Female of public and private universities of Jordan in terms of General Perspectives, Financial Perspectives, Internal Process Perspectives and Human Resource Perspectives of Balance Score Card.

There is significant difference among the experience at present designation of public and private universities of Jordan in terms of Internal Process Perspectives and Human Resource Perspectives of Balance Score Card but found to be significant difference in regard to General Perspectives and Financial Perspectives of Balance Score Card.

There is significant association between the financial policy of universities, Average life cycle of facilities and equipments offered average number of papers by academic staff published in a year, percentages of International students enrolled in comparison to total number of students, deficiencies of performance measurement system in the Public and Private sector universities of Jordan. But there is no significant association between Conferences/ Seminars/ Workshops organized in a year, average number of papers by academic staff published in ISI journals, average number of papers by academic staff published in refereed research journals, managerial accounting indicators used in order to assist the University's assessment of customer (students) satisfaction policy, number of online programs offered and communication of the implementation of the performance measurement system to the employees in a year in the universities of Public and Private sector of Jordan.
The employees have better preference to work in the Government University than private universities of Jordan due to the better remuneration and retirement benefits.

6.4 Recommendations: After analyzing the results of the questionnaires, the following recommendations are given by the researcher:

- Adoption of the balance scorecard in government universities requires proper attention. It is not properly adopted as compared to the private universities. Now the time has come in this liberalized era that government universities should also adopt balance scorecard to achieve the set target.

- The employee scorecard should be closely integrated with the assigned task, thus keeping the entire organisation focused on the same agreed set of objectives/ mission.

- Teaching, non-teaching employees and students should be involved in the development of the measures, since their participation will inspire them to improve the standard of the university and thus will help in accomplishing set standards.

- In the presence of unions (Teaching, non-teaching employees and students), the union officials should be included in the earliest discussion of the measurement system. Union officials should be assured that the system gives employees more, not less, control over their jobs.

- Measures selected must be in real time so that employees can respond and solve problems on the spot. Measures selected should focus on the critical aspects of performance. New measures that are introduced should be balanced with the other scorecard measures.

- Communicate the measures to all the staff, and provide updates on a more frequent basis. They need to be communicated simply and easily, from the top down. For example, the head of the department could distribute a Balanced Scorecard Report quarterly to all staff, with a cover memo explaining what the measurements mean and how the department
is doing. Supervisors could use the report to generate discussion and understanding about the Balanced Scorecard program on a quarterly basis during staff meetings.

- Continue development of Balanced Scorecard at the area levels should fold into higher-level departmental measures, just as annual employee evaluation goals fold into department measures.

- Employee reviews should be done in a Balanced Scorecard format – especially the goals for the next review period. By incorporating the four perspectives of the department’s BSC, the individual employees will gain an understanding of how they each contribute to the Facilities Services Balanced Scorecard Strategic Plan. An example of an Innovation and Learning individual employee goal may be: foster a learning environment where employees are encouraged to develop their skills to meet the demands of the future; show evidence of coaching employees to improve their knowledge and services (such as encouraging employees to attend appropriate training sessions, computer skills updates, etc.).

- Measures need to be established including overall scores for students’ satisfaction from the students’ Satisfaction Surveys, as well as from discussion to measure and assess each of the departments.

- Develop a Continuous Quality Improvement (CQI) team which could provide suggested plans of action to the appropriate person as well as help in communicating the Balanced Scorecard information throughout the various departments of the university.

- Incorporate Balanced Scorecard into the culture of the departments of the university. It must be the backbone for individual performance evaluations; employee, teacher and department goals; funding requests; celebrations; etc. Individual goals must align with department goals; department goals must align with faculty goals; faculty goals must align with the universities’
goals in order for change to be effective and act as a driving force behind the achievement of the universities' strategy. For the Balanced Scorecard to truly be successful, continuous quality improvement must be a powerful force in the culture of the university.

- In addition, BSC measures should be entered into the computer so that current figures can be accessed instantly by people in different departments and at different levels of the university. Incentive-related pay should also be linked to a few high-level goals as this encourages the use of the balanced scorecard as a tool to help management teams achieve these high level goals. Linking a large proportion of the balanced scorecard elements to incentive pay not only discourages the initial selection of risky objectives, it also discourages management from changing their balanced scorecard during the course of an incentive period if they are already meeting the target values. If incentive pay is linked only to some overall measures of success, then the university administration will likely use the balance scorecard information to generate the improved performance required to achieve the overall measure.

- The performance measurement system design should be directly related to the university's main strategy and non-financial measures should be adopted.

- There are potential areas for further refinement and research into the balanced scorecard. Currently, theories of strategic control methods and practice are developed separately from theories relating to performance management. Therefore, more refinement is needed in matching understanding of how management behaviour can be influenced by performance measurement data to better facilitate management interventions. A university's performance measurement system often covers its entire working. There should be an examination of the ways to reconcile performance reporting with performance management. Lastly, the characteristics of university that successfully implement performance management are not well known. Studies should be undertaken to deepen understanding of the factors that encourage or inhibit the adoption of advanced performance management systems.
6.4 Directions for Future Research

The present research on the comparative study of Balance Score card in government and private universities of Jordan explored many issues in line with the objectives set for the study. The present study has focused on many dimensions of balance score card in the education system of Jordan. On the basis of primary data, a number of aspects of balance score card were analysed. But still I feel that a multi directional expansion with focus on related areas is possible. In the context of limitations of the study, and the experience gained during the study, some of the potential areas are identified for future researches. Potential areas for research have been identified in the following areas:

- To generalize the findings of the study, a broad representative sample may be taken. Sample size could be increased covering all the hierarchical levels of teaching and non-teaching staff as well as students of the government and private universities of Jordan.

- The coverage of many other universities and colleges under higher education of Jordan may be done. Not only the universities but many other important ingredient of effective and efficient service, such as hotel, tourism, banking, insurance, IT etc., to name a few, could be studied.

- Even the approach of balance score card in the high school and higher secondary education system of Jordan should also be studied. If it is difficult than the feasibility analysis must be done in regard to introducing it in schools.

- The present research work is in the field of service sector. The balance score card approach can also be introduced in manufacturing sector also. It will definitely be a good move if it is properly implemented with some required modifications.

- The present work deals with the comparative study between government and private sector universities of Jordan. Similarly a comparative study can also be made between universities and some other major public utility concerned like water, electricity or transport organizations to find the most effective application of balance score card approach to understand the
phenomenon in depth, its effects on organizational performance and effectiveness, identifying negative aspects and their affect, an exhaustive case based study of different concerned could be carried out.

- Research done in the form of academic-industry interface would contribute towards generating new knowledge and clarity of concept, at the same time, it would help the organizations to decipher their own assumptions when a cultural analysis becomes relevant for some problems that the organization is trying to solve.

- The balance score card approach and its implementation with effectiveness is another area where special attention and innovations should also be made. Atleast researches should be carried out in the existing system of balance score card approach to make it applicable in different kinds of organisations. Rather efforts should be made to bring flexibility in the balance score card approach.

- Everywhere the balance score card approach has been used even in different organizations, but some more possible action plans should be carried out or research could be conducted to help the organizational members to analyze the culture, prepare a profile, and make action plan to deal with weak aspects. This could be done in steps.

- The balance score card approach may wholly applied to make a comparative study of the students’ perception in the government and private universities of Jordan. Thus, the present research study has substantial scope of extension in terms of both quantitative and qualitative dimensions in regard to the balance score card approach.

- Mostly people have got a perception that teachers and students are the backbone for the effectiveness for the universities. But we should not forget that non-teaching staff play a very important role in making the university smooth and efficient in terms of procedural work. Quick processing is the main criteria for judging the quality of any service provider. Thus, further there is good scope for the researcher to carry out the research work considering non-teaching staff as key factor. This study may be carried out by analyzing the impact of balance score card approach on the performance of non-teaching staff. Again to simplify the
research work a comparative study can be made between two different organisations where in one balance score card approach has been implemented and in another balance score card approach has not been introduced to check the impact properly and to know the effectiveness of the balance score card approach.